

# House File 547

PAG LIN

HOUSE FILE 547

1 1  
1 2  
1 3 AN ACT  
1 4 PROVIDING FOR EVIDENCE OF FINANCIAL RESPONSIBILITY FILED BY  
1 5 COMMERCIAL PESTICIDE APPLICATORS, AND PROVIDING AN  
1 6 EFFECTIVE DATE.  
1 7  
1 8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
1 9  
1 10 Section 1. Section 206.2, Code 2003, is amended by adding  
1 11 the following new subsections:  
1 12 NEW SUBSECTION. 8A. "Department" means the department of  
1 13 agriculture and land stewardship.  
1 14 NEW SUBSECTION. 10A. "Financial institution" means a bank  
1 15 or savings and loan association authorized by this state or by  
1 16 the laws of the United States, which is a member of the  
1 17 federal deposit insurance corporation or the federal savings  
1 18 and loan insurance corporation.  
1 19 Sec. 2. Section 206.13, Code 2003, is amended to read as  
1 20 follows:  
1 21 206.13 SURETY BOND OR INSURANCE EVIDENCE OF FINANCIAL  
1 22 RESPONSIBILITY REQUIRED OF BY COMMERCIAL APPLICATOR.  
1 23 The secretary department shall not issue a commercial  
1 24 applicator's license as required in section 206.6 until the  
1 25 applicant has furnished evidence of financial responsibility  
1 26 with the secretary consisting either of department. The  
1 27 evidence of financial responsibility shall consist of a surety  
1 28 bond, or a liability insurance policy, or an irrevocable  
1 29 letter of credit issued by a financial institution. The  
1 30 department may accept a certification thereof of the evidence  
1 31 of financial responsibility. Such surety bond or liability  
1 32 insurance policy The evidence of financial responsibility  
1 33 shall provide coverage to pay on behalf of the insured all  
1 34 sums which the insured shall become amount that the  
1 35 beneficiary is legally obligated to pay as damages as a result  
2 1 of caused by the pesticide operations of the applicant.  
2 2 However, the surety bond or liability insurance policy will  
2 3 evidence of financial responsibility does not apply to damages  
2 4 or an injury which are either is expected or intended from the  
2 5 standpoint of the insured beneficiary. Any such A liability  
2 6 insurance policy shall be subject to the insurer's policy  
2 7 provisions filed with and approved by the commissioner of  
2 8 insurance. The surety bond or liability insurance policy  
2 9 submitted as evidence of financial responsibility need not  
2 10 apply to damages or injury to agricultural crops, plants, or  
2 11 land being worked upon by the applicant.  
2 12 The amount of the surety bond or liability insurance  
2 13 evidence of financial responsibility as provided for in this  
2 14 section shall be not less than fifty thousand dollars for  
2 15 property damage and public liability insurance, each  
2 16 separately. Such surety bond or liability insurance The  
2 17 evidence of financial responsibility shall be maintained at  
2 18 not less than that sum amount at all times during the licensed  
2 19 period. The secretary department shall be notified ten days  
2 20 prior to any reduction in the surety bond or liability  
2 21 insurance made at the request of the applicant or cancellation  
2 22 of such the surety bond by the surety or the liability  
2 23 insurance by the surety or insurer. The department shall be  
2 24 notified ninety days prior to any reduction of the amount of  
2 25 the irrevocable letter of credit at the request of the  
2 26 applicant or the cancellation of the irrevocable letter of  
2 27 credit by the financial institution. The total and aggregate  
2 28 liability of the surety, and insurer, or financial institution  
2 29 for all claims shall be limited to the face of the surety  
2 30 bond, or liability insurance policy, or irrevocable letter of  
2 31 credit.  
2 32 Sec. 3. EFFECTIVE DATE. This Act, being deemed of  
2 33 immediate importance, takes effect upon enactment.  
2 34  
2 35

CHRISTOPHER C. RANTS  
Speaker of the House

3 1  
3 2  
3 3  
3 4  
3 5

3 6  
3 7  
3 8  
3 9  
3 10  
3 11  
3 12  
3 13  
3 14  
3 15  
3 16  
3 17  
3 18  
3 19  
3 20  
3 21  
3 22

\_\_\_\_\_  
MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and  
is known as House File 547, Eightieth General Assembly.

\_\_\_\_\_  
MARGARET THOMSON  
Chief Clerk of the House

Approved \_\_\_\_\_, 2003

\_\_\_\_\_  
THOMAS J. VILSACK  
Governor